

## SENATE BILL No. 345

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-4-30-5; IC 6-1.1-12

**Synopsis:** Property tax deduction. Provides a property tax deduction for buildings constructed using materials in which at least 60% of the materials' dry weight consists of coal combustion products.

**Effective:** July 1, 2004.

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January 12, 2004, read first time and referred to Committee on Finance.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## SENATE BILL No. 345

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 4-4-30-5, AS AMENDED BY P.L.171-2003,
- 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2004]: Sec. 5. The center for coal technology research is
- 4 established to perform the following duties:
- 5 (1) Develop technologies that can use Indiana coal in an
- 6 environmentally and economically sound manner.
- 7 (2) Investigate the reuse of clean coal technology byproducts,
- 8 including fly ash.
- 9 (3) Generate innovative research in the field of coal use.
- 10 (4) Develop new, efficient, and economical sorbents for effective
- 11 control of emissions.
- 12 (5) Investigate ways to increase coal combustion efficiency.
- 13 (6) Develop materials that withstand higher combustion
- 14 temperatures.
- 15 (7) Carry out any other matter concerning coal technology
- 16 research, including public education, as determined by the center.
- 17 (8) Administer the Indiana coal research grant fund under

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IC 4-23-5.5-16.

**(9) Determine whether a building is eligible for a property tax deduction under IC 6-1.1-12-34.5.**

SECTION 2. IC 6-1.1-12-34.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 34.5. (a) As used in this section, "coal combustion products" means the byproducts resulting from the combustion of coal. The term includes boiler slag, bottom ash, fly ash, and scrubber sludge.**

**(b) As used in this section, "qualified building" means a building designed and constructed to systematically use qualified materials throughout the building.**

**(c) As used in this section "qualified materials" means building materials in which at least sixty percent (60%) of the materials' dry weight consists of coal combustion products.**

**(d) The owner of a qualified building, as determined by the center for coal technology research, is annually entitled to a property tax deduction. The amount of the deduction equals the product of:**

- (1) the assessed value of the qualified building; multiplied by**
- (2) ten percent (10%).**

SECTION 3. IC 6-1.1-12-35.5, AS ADDED BY P.L.198-2001, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 35.5. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, ~~or~~ 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement between March 1 and May 10, inclusive, of the assessment year. The person must file the statement in each year for which he desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement between January 15 and March 31, inclusive, of each year for which he desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.**

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1       **(b) This subsection does not apply to an application for a**  
 2       **deduction under section 34.5 of this chapter.** The department of  
 3       environmental management, upon application by a property owner,  
 4       shall determine whether a system or device qualifies for a deduction  
 5       provided by section 31, 33, or 34 of this chapter. If the department  
 6       determines that a system or device qualifies for a deduction, it shall  
 7       certify the system or device and provide proof of the certification to the  
 8       property owner. The department shall prescribe the form and manner  
 9       of the certification process required by this subsection.

10       **(c) This subsection does not apply to an application for a**  
 11       **deduction under section 34.5 of this chapter.** If the department of  
 12       environmental management receives an application for certification  
 13       before April 10 of the assessment year, the department shall determine  
 14       whether the system or device qualifies for a deduction before May 10  
 15       of the assessment year. If the department fails to make a determination  
 16       under this subsection before May 10 of the assessment year, the system  
 17       or device is considered certified.

18       (d) A denial of a deduction claimed under section 31, 33, ~~or~~ 34, **or**  
 19       **34.5** of this chapter may be appealed as provided in IC 6-1.1-15. The  
 20       appeal is limited to a review of a determination made by the township  
 21       assessor, county property tax assessment board of appeals, or  
 22       department of local government finance.

23       (e) A person who timely files a personal property return under  
 24       IC 6-1.1-3-7(a) for an assessment year and who desires to claim the  
 25       deduction provided in section 31 of this chapter for property that is not  
 26       assessed under IC 6-1.1-7 must file the statement described in  
 27       subsection (a) between March 1 and May 15, inclusive, of that year. A  
 28       person who obtains a filing extension under IC 6-1.1-3-7(b) for an  
 29       assessment year must file the application between March 1 and the  
 30       extended due date for that year.

31       **(f) This subsection applies only to an application for a deduction**  
 32       **under section 34.5 of this chapter. The center for coal technology**  
 33       **research, upon application by a property owner, shall determine**  
 34       **whether a building qualifies for a deduction provided by section**  
 35       **34.5 of this chapter. If the center determines that a building**  
 36       **qualifies for a deduction, the center shall certify the building and**  
 37       **provide proof of the certification to the property owner. The center**  
 38       **shall prescribe the form and manner of the certification process**  
 39       **required by this subsection.**

40       **(g) This subsection applies only to an application for a deduction**  
 41       **under section 34.5 of this chapter. If the center for coal technology**  
 42       **research receives an application for certification before April 10 of**

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1 the assessment year, the center shall determine whether the  
 2 building qualifies for a deduction before May 10 of the assessment  
 3 year. If the center fails to make a determination under this  
 4 subsection before May 10 of the assessment year, the building is  
 5 considered certified.

6 SECTION 4. IC 6-1.1-12-36 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 36. (a) A person who  
 8 receives a deduction provided under section 26, 29, 33, 34, **34.5**, or 38  
 9 of this chapter for a particular year and who remains eligible for the  
 10 deduction for the following year is not required to file a statement to  
 11 apply for the deduction for the following year.

12 (b) A person who receives a deduction provided under section 26,  
 13 29, 33, 34, **34.5**, or 38 of this chapter for a particular year and who  
 14 becomes ineligible for the deduction for the following year shall notify  
 15 the auditor of the county in which the real property or mobile home for  
 16 which he received the deduction is located of his ineligibility before  
 17 March 31 of the year for which he becomes ineligible.

18 (c) The auditor of each county shall, in a particular year, apply a  
 19 deduction provided under section 26, 29, 33, 34, **34.5**, or 38 of this  
 20 chapter to each person who received the deduction in the preceding  
 21 year unless the auditor determines that the person is no longer eligible  
 22 for the deduction.

23 SECTION 5. [EFFECTIVE JULY 1, 2004] (a) **IC 6-1.1-12-34.5, as**  
 24 **added by this act, applies to property tax assessments made after**  
 25 **December 31, 2004.**

26 (b) **IC 6-1.1-12-35.5 and IC 6-1.1-12-36, both as amended by this**  
 27 **act, apply to property tax assessments made after December 31,**  
 28 **2004.**

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